

(c) In accordance with 34 CFR 668.84 the Secretary may impose a fine on the institution if the institution fails to comply with the requirements specified in paragraphs (a) or (b) of this section.

(d)(1) Notwithstanding paragraphs (a) or (b) of this section, if an institution demonstrates to the satisfaction of the Secretary that the institution has provided Federal Pell Grants in accordance with this part but has not received credit or payment for those grants, the institution may receive payment or a reduction in accountability for those grants in accordance with paragraphs (d)(4) and either (d)(2) or (d)(3) of this section.

(2) The institution must demonstrate that it qualifies for a credit or payment by means of a finding contained in an audit report of an award year that was the first audit of that award year and that was conducted after December 31, 1988 and timely submitted to the Secretary under 34 CFR 668.23(c).

(3) An institution that timely submits the Payment Data for a student in accordance with paragraph (a) of this section but does not timely submit to the Secretary, or have accepted by the Secretary, the Payment Data necessary to document the full amount of the award to which the student is entitled, may receive a payment or reduction in accountability in the full amount of that award, if—

(i) A program review demonstrates to the satisfaction of the Secretary that the student was eligible to receive an amount greater than that reported in the student's Payment Data timely submitted to, and accepted by the Secretary; and

(ii) The institution seeks an adjustment to reflect an underpayment for that award that is at least \$100.

(4) In determining whether the institution qualifies for a payment or reduction in accountability, the Secretary takes into account any liabilities of the institution arising from that audit or program review or any other source. The Secretary collects

those liabilities by offset in accordance with 34 CFR part 30.

(Approved by the Office of Management and Budget under control number 1840-0688)

(Authority: 20 U.S.C. 1070a, 1094, 1226a-1)

[60 FR 61816, Dec. 1, 1995; 61 FR 3776, Feb. 1, 1996]

## **PART 692—LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM**

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692.80 How does a State administer its community service work-study program?

AUTHORITY: 20 U.S.C 1070c through 1070c-4, unless otherwise noted.

SOURCE: 52 FR 45433, Nov. 27, 1987, unless otherwise noted.

### Subpart A—Leveraging Educational Assistance Partnership Program

#### GENERAL

#### § 692.1 What is the Leveraging Educational Assistance Partnership?

The Leveraging Educational Assistance Partnership (LEAP) Program assists States in providing grants and work-study assistance to eligible students who attend institutions of higher education and have substantial financial need. The work-study assistance is provided through campus-based community service work learning study programs, hereinafter referred to as community service-learning job programs.

(Authority: 20 U.S.C. 1070c-1070c-4)

[52 FR 45433, Nov. 27, 1987, as amended at 65 FR 38729, June 22, 2000]

#### § 692.2 Who is eligible to participate in the LEAP Program?

(a) *State participation.* A State that meets the requirements in §§ 692.20 and

692.21 is eligible to receive payments under the LEAP program.

(b) *Student participation.* A student must meet the requirements of § 692.40 to be eligible to receive assistance from a State under the LEAP program.

(Authority: 20 U.S.C. 1070c-1)

[52 FR 45433, Nov. 27, 1987, as amended at 65 FR 38729, June 22, 2000]

#### § 692.3 What regulations apply to the LEAP Program?

The following regulations apply to the LEAP Program:

(a) The regulations in this part 692.

(b) The Education Department General Administrative Regulations (EDGAR) as follows:

(1) 34 CFR 75.60-75.62 (Ineligibility of Certain Individuals to Receive Assistance).

(2) 34 CFR part 76 (State-Administered Programs).

(3) 34 CFR part 77 (Definitions That Apply to Department Regulations).

(4) 34 CFR part 79 (Intergovernmental Review of Department of Education Programs and Activities).

(5) 34 CFR part 80 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments).

(6) 34 CFR part 82 (New Restrictions on Lobbying).

(7) 34 CFR part 85 (Governmentwide Debarment and Suspension (Nonprocurement) and Governmentwide Requirements for Drug-Free Workplace (Grants)).

(8) 34 CFR part 86 (Drug and Alcohol Abuse Prevention).

(c) The Student Assistance General Provisions in 34 CFR part 668.

(Authority: 20 U.S.C. 1070c-1070c-4)

[52 FR 45433, Nov. 27, 1987, as amended at 55 FR 21716, May 25, 1990; 59 FR 4223, Jan. 28, 1994; 65 FR 38729, June 22, 2000]

#### § 692.4 What definitions apply to the LEAP Program?

The following definitions apply to the regulations in this part:

(a) The definitions of the following terms under 34 CFR part 600:

Postsecondary vocational institution (§ 600.6).

Public or private nonprofit institution of higher education (§ 600.4).